

BUREAU OF INTELLIGENCE AND RESEARCH - ANALYSIS - DECEMBER 16, 1981

1. WEST EUROPEAN REACTION TO POLISH DEVELOPMENTS

The institution of martial law in Poland has touched off an avalanche of protest in Western Europe. We can expect further protests from allied capitals and admonitions to Moscow to refrain from intervention. At this stage, however, neither NATO nor the EC is likely to support measures that might escalate the level of tension and risk precipitating a Soviet military move.

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Tens of thousands of demonstrators in European capitals have denounced the military crackdown in Poland. West European and Canadian media, including most communist organs, and trade unions have joined the chorus of opposition accusing Polish authorities of totalitarian behavior.

Europeans continue to hope, however, that Poland might yet be able to resolve its problems without direct Soviet interference. NATO officials and the EC foreign ministers have cautioned against external involvement in Polish affairs and stressed that all signatories to the Helsinki Final Act should honor their commitment to nonintervention. Fearful of provoking a Soviet move, our NATO allies are likely to confine themselves to protests and admonitions. This low profile is reinforced by doubts in some quarters, for example, in Copenhagen, that Polish actions have been orchestrated by Moscow.

Barring Soviet intervention, the European allies are not likely to view the Polish military's suppression of Solidarity as disruptive to East-West relations. We do not anticipate any significant increase in allied military readiness under present circumstances. Nor do we expect the European attitude toward the INF talks to be markedly affected. European publics would probably feel relieved if Moscow's restraint were to continue and might even intensify their anti-nuclear campaign. Some allies, notably the FRG, may be disposed to continue the CSCE discussions in Madrid in order to have a forum in which to exert pressure on Moscow not to intervene.

The EC's current efforts to provide food aid to Poland are not likely to be curtailed. But new financial aid and the still unapproved \$200 million element of the third tranche of EC food assistance await clarification of the Polish situation. Should the Soviets intervene in Poland, however, the EC is likely to withhold export credits and loans to the USSR, suspend new--but not existing--industrial projects, and possibly agree to a tightening of COCOM restrictions.

State Dept. review completed

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